

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ROUGH RIVER WATER)	
SYSTEM FOR A RATE ADJUSTMENT PURSUANT)	CASE NO.
TO THE ALTERNATIVE RATE FILING PROCEDURE)	89-207
FOR SMALL UTILITIES)	

O R D E R

On July 26, 1989, Rough River Water System, Inc. ("Rough River") filed an application for Commission approval for a proposed increase in its rates for water service pursuant to the Alternative Rate Filing Procedure for Small Utilities. Various Orders were entered concerning the test year to be used in Rough River's application, and two field reviews of Rough River's financial records were conducted by Staff. Staff filed its report on February 21, 1990, recommending that Rough River reduce its annual operating revenues by \$3,206. Rough River neither filed comments on the Staff Report nor requested a public hearing within the stipulated time, and an Order was issued by the Commission on March 26, 1990, adopting the recommendations and findings contained in the Staff Report.

On April 4, 1990, Rough River by letter to the Commission requested the Commission to reconsider its Order of March 26, 1990. After review of the record, Staff determined that the rates contained in Appendix A to the Staff Report issued February 21, 1990 were incorrectly based on a total revenue requirement of

\$94,904 instead of the correct figure reflecting revenues from water sales of \$91,212. Inasmuch as said Appendix A recommended rates based on an inaccurate figure, the Commission finds that its Order of March 26, 1990 which adopted the recommendations of the Staff Report should be vacated and that Staff should issue an amendment to its Staff Report of February 21, 1990 to correct the inaccuracy.

IT IS THEREFORE ORDERED that:

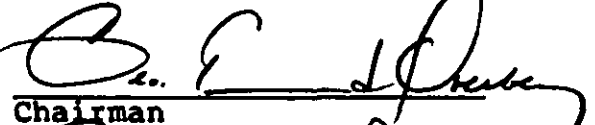
1. The Commission's Order of March 26, 1990 be and it hereby is vacated and set aside.

2. Commission Staff shall issue an amendment to its February 21, 1990 Staff Report recommending rates for Rough River based on the correct figure as determined by the findings of the Staff Report.

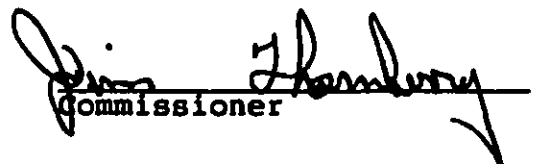
3. Rough River shall have 20 days from the date of issuance of Staff's amendment to its Staff Report to file comments thereon and/or to request a public hearing.

Done at Frankfort, Kentucky, this 24th day of April, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director